

Zenyatta confirms the company has received grant funding from the Canada-Israel Industrial R&D Foundation

Zenyatta Ventures Ltd. {TSX.V: ZEN} have announced the company has received grant funding from the Canada-Israel Industrial R&D Foundation.

Each partner will have a unique technical contribution in a scaled up program from the successful bench scale testing announced on 24 September 2015.

THUNDER BAY – **Zenyatta Ventures Ltd. {TSX.V: ZEN}** have announced the company has received grant funding from the Canada-Israel Industrial R&D Foundation (CIIRDF) for the “Production of Nano-Graphite-Reinforced Cement Admixture” under the Ontario-Israel Collaboration Program (‘OICP’). Larisplast Ltd (‘Larisplast’) also received a grant under the same program from the National Technology Innovation Authority (NTIA) in Israel.

Zenyatta, Larisplast, Ben-Gurion University of the Negev (‘BGU’) and B.G. Negev Technologies (‘BGN’) recently announced the signing of a Memorandum of Understanding (‘MOU’) on 16 May 2016 while on the Ontario Business Mission to Israel with Premier Wynne. Each partner will have a unique technical contribution in a scaled up program from the successful bench scale testing announced on 24 September 2015.

This new program will have subtotal costs of \$207,002 (Zenyatta) and \$322,129 (Larisplast) for a total of \$529,131 of which 50% will be refunded under this OICP grant.

“CIIRDF is pleased to support Zenyatta, Larisplast, Ben-Gurion University and B.G. Negev Technologies as they collaborate on the development of an enhanced concrete with broad application across the construction industry,” said Dr. Henri Rothschild, President of CIIRDF. “This innovative R&D partnership directly supports the objectives of the Ontario-Israel Collaboration Program. The emerging product aims to improve the mechanical performance of concrete and its resilience during earthquakes, helping to preserve the safety of our citizens and infrastructure.”

The main objective of the collaborative project between Zenyatta, Larisplast, BGU and BGN is to develop concrete admixtures containing Zenyatta's natural nano-graphite to create improved mechanical properties. Several benefits expected from the development of this enhanced concrete product include:

1. Allowing a faster curing time;
2. Using less concrete during construction but still achieve a superior mechanical performance;
3. Inhibiting premature failure; and
4. Withstanding large forces, typically produced during earthquakes or explosions.

Usage of natural reinforcing high-purity, nano-graphite filler of this kind is also beneficial for the environment. The

concrete industry is a significant contributor of carbon dioxide which is a major greenhouse gas. Wide spread use of this enhanced product will have the potential to reduce the amount of concrete used in construction and consequently cut considerable carbon dioxide emissions.

Aubrey Eveleigh, President and CEO for Zenyatta stated, *"Our Company is very pleased to be receiving funding support from both the Ontario and Israeli governments. Due to the advanced work at BGU on Zenyatta graphite in concrete, we now have another very important end use application for our targeted market. We are excited to be working with concrete experts like Larisplast and BGU and play a key role in the advancement of this new admixture material."*

Zenyatta continues to develop its rare Albany graphite deposit in Ontario, Canada. The Company's highly crystalline graphite deposit is situated 30 km north of the Trans-Canada Highway, power line and natural gas pipeline near the communities of Constance Lake First Nation and Hearst.

A rail line is located 70 km away with an all-weather road approximately 10 km from the graphite deposit. The world trend is to develop products for technological applications that need extraordinary performance using ultra-high purity graphite powder at an affordable cost. Albany graphite can be upgraded with very good crystallinity without the use of aggressive acids (hydrofluoric) or high temperature thermal treatment therefore having an environmental advantage over other types of upgraded high purity graphite material.

Dr. Bharat Chahar, P.E., VP Market Development for Zenyatta, is a Qualified Person for the purposes of National Instrument 43-101 and has reviewed, prepared and supervised the preparation of the technical information in this news release.